

Department of General Services Performance Review

David Dise, Director
January 20, 2012

CountyStat Principles

- **Require Data-Driven Performance**
- **Promote Strategic Governance**
- **Increase Government Transparency**
- **Foster a Culture of Accountability**



Agenda

- **Welcome and Introductions**
- **Historical Budget Review**
- **Annual Performance Update**
- **Wrap-up and Follow-up Items**



Tracking Our Progress Meeting Goal

- **Meeting Goal**
 - Determine the impact of DGS programs and activities on headline measures and establish new performance expectations and goals.
- **How we will measure success**
 - Ongoing monitoring of performance through Montgomery County Performance Dashboard.



Department of General Services: Historical Budget Overview

| Approved Budget | FY09 | FY10 | FY11 | FY12 |
|----------------------------------|---------------|--------------|--------------|--------------|
| General Fund and Printing & Mail | \$34,904,750 | \$34,499,440 | \$30,518,580 | \$29,538,300 |
| Fleet (Internal Service Fund) | \$67,674,780 | \$64,694,320 | \$57,804,700 | \$61,113,450 |
| Total Expenditures | \$102,579,530 | \$99,193,760 | \$88,323,280 | \$90,651,750 |

| | | | | |
|---|------|------|------|------|
| DGS General Fund Budget as % of total MCG | 6.3% | 6.1% | 5.8% | 5.7% |
|---|------|------|------|------|

| Approved Workyears | FY09 | FY10 | FY11 | FY12 |
|----------------------------------|--------|-------|-------|-------|
| General Fund and Printing & Mail | 197.7 | 198.9 | 179.7 | 178.1 |
| Fleet (Internal Service Fund) | 205.5 | 202.0 | 194.3 | 205.6 |
| Total Work years | 403.20 | 400.9 | 374.0 | 383.7 |

| | | | | |
|--|------|------|------|------|
| DGS General Fund Workyears as % of total MCG | 4.0% | 4.1% | 4.2% | 4.2% |
|--|------|------|------|------|



Department of General Services

FY11 Approved Budget

Facilities Maintenance
\$17.9M 92.3 WYs

Fleet
\$57.8M 194.3 WYs

Building Design and Construction
CIP Funded

Procurement
\$2.2M 25.8 WYs

Real Estate and Management Services
\$1.5M 13.2 WYs

Admin
\$1.8M 16WYs

**Central Duplicating Imaging, Archiving and
Mail Services**
\$6.5M 29.3 WYs

Office of Business Relations and Compliance
\$409, 330 3.1 WYs



Headline Measures

Facilities measures

- Hours Offline for Critical Building Systems
- Condition of Non-Critical Building Systems and Aesthetics

Fleet measures

- Mean Miles Between Service Interruptions
- Turnaround Time: Average Number of Days Out of Service

Building Design and Construction measure

- Percent of Projects Meeting Design and Construction Goals

Business Compliance and Procurement measures

- Percent of Contract Dollars Awarded to MFD and LSBRP Vendors
- Percent of Procurements Completed in Agreed-Upon Time

Real Estate measure

- County Rent vs. Average Market Rent for Leased Space

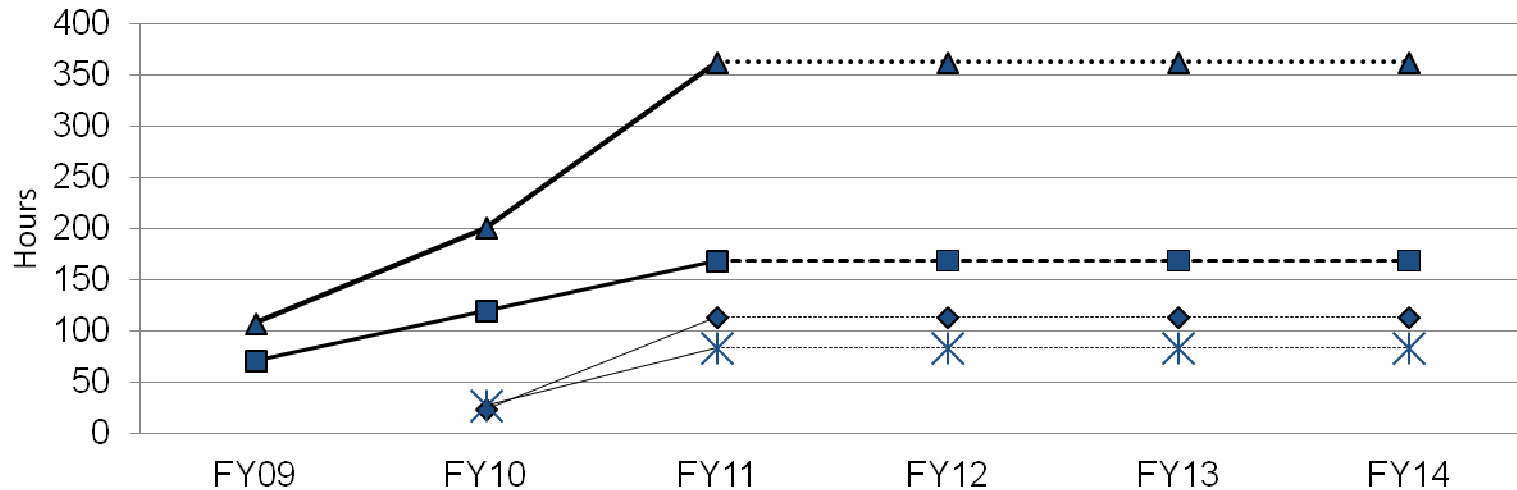
General measures

- Environmental Stewardship
- Customer Satisfaction



Headline Measure: Hours Offline for Critical Building Systems

Facilities Maintenance – Number of hours offline for critical building systems such as power, elevators, heating, ventilation, and air conditioning



| | FY09* | FY10* | FY11 | FY12 | FY13 | FY14 |
|-------------------|-------|-------|------|------|------|------|
| ■ Power | 72 | 120 | 169 | 169 | 169 | 169 |
| ▲ Elevator | 108 | 201 | 363 | 363 | 363 | 363 |
| ◆ Heating/Cooling | N/A | 24 | 114 | 114 | 114 | 114 |
| X Water/Sewage | N/A | 28 | 84 | 84 | 84 | 84 |

Recommend that DGS work with OEMHS to ensure that COOP plans contain all potential outages scenarios.



*FY09 data missing Q1 and Q2; FY10 data missing Q2.

Performance Context: Facilities (Critical Systems) Performance in Other Jurisdictions

■ Prince George's County

- 1,619 pieces of equipment to maintain
 - “any piece of equipment or components of a facility that allows it to function correctly including boilers, sprinklers, generators and elevators.”

| | FY08 Act | FY09 Act | FY10 Act | FY11 Est | FY12 Est |
|-----------------------------------|----------|----------|----------|----------|----------|
| # of Pieces of Building Equipment | 1,619 | 1,619 | 1,619 | 1,619 | 1,619 |
| # of County Owned Buildings | N/A | 85 | 85 | 85 | 85 |
| % of failed building equipment | N/A | 8.3% | 8.6% | 8.6% | 8.3% |

■ Loudoun County

- Develop and execute major maintenance and repair programs for 148 County owned facilities.

| | FY08 Act | FY09 Act | FY10 Act | FY11 Est | FY12 Est |
|--|----------|----------|----------|----------|----------|
| Conduct assessments for County-owned facilities every five years (assess 20% of facilities annually) | 90% | 100% | 92% | 100% | 100% |



Source: Respective County Budget Documents

Headline Measure: Hours Offline for Critical Building Systems

Departmental Explanation for FY11 Performance:

- Budget limitations resulting in infrastructure deterioration.
- Shortage of maintenance vehicles.
- Lack of skilled staff to provide direct preventive maintenance and emergency services.
- Non-critical calls reported as emergencies.
- No control over public utilities: Pepco, Washington Gas, WSSC.
- The County has adopted LEED rated design and construction standards requiring maintenance upgrades to maintain ratings.
- More facilities need to be retro-fitted to EMS (monitoring).

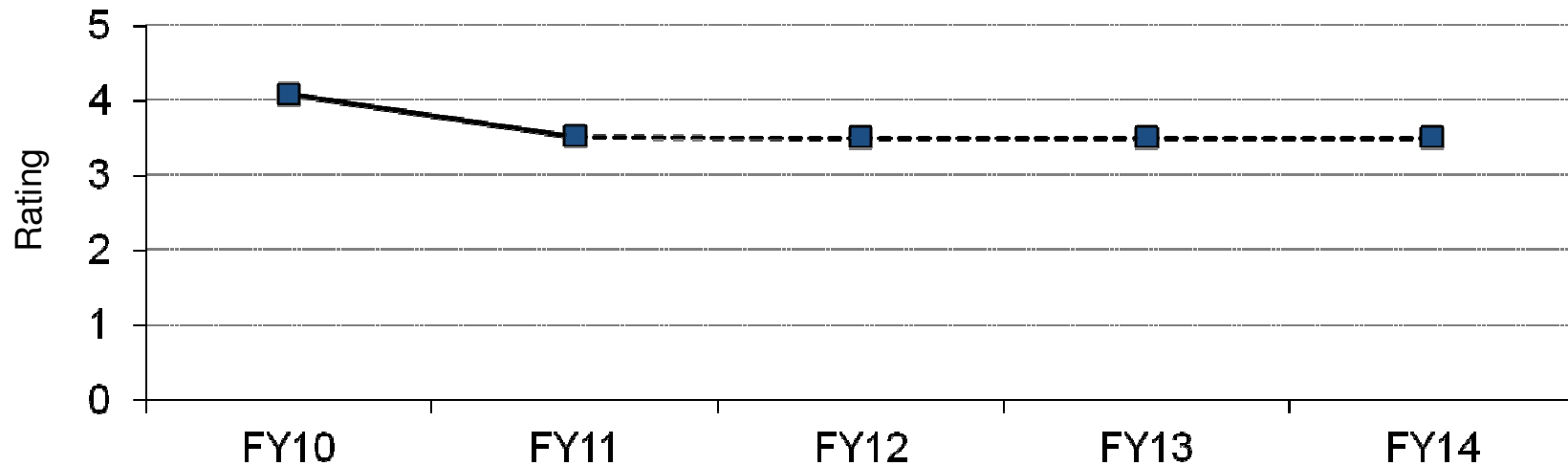
Departmental Explanation for FY12-FY14 Projections:

- Assess restructuring the Division to determine services to be assigned to in-house versus outsourcing based on licensure, certifications, skills, equipment, and resources required to service our critical equipment.
- Propose upgrades on critical equipment requiring redundancy on incoming feeders, chillers, and control monitoring.



Headline Measure: Condition of Non-Critical Building Systems and Aesthetics

Facilities: Customer rating of the aesthetics and comfort of County-maintained buildings

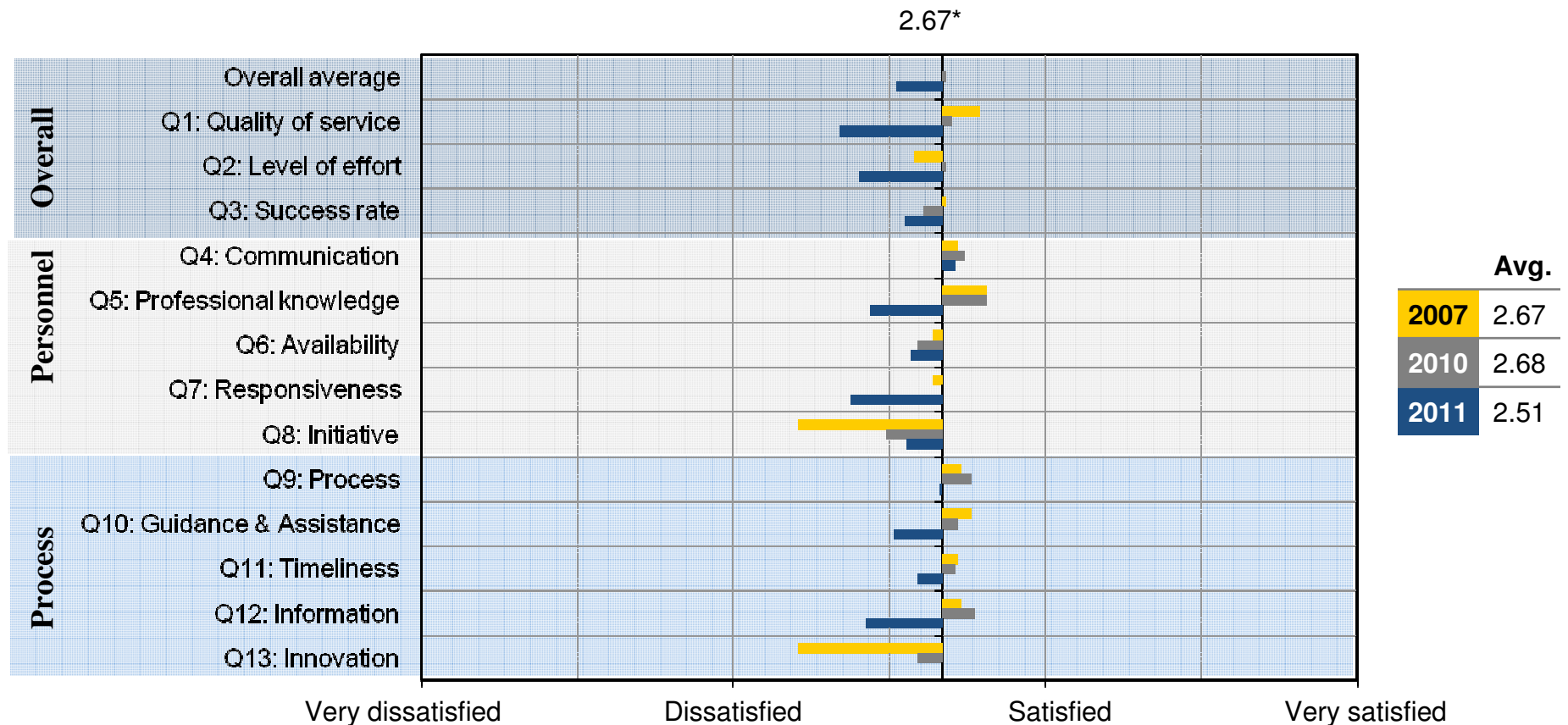


| | FY10 | FY11 | FY12 | FY13 | FY14 |
|--------|------|------|------|------|------|
| Rating | 4.1 | 3.52 | 3.5 | 3.5 | 3.5 |

Recommend a formal memo from DGS communicating current expectations for building systems and aesthetics. Recommend better transparency in communication to customers about following-up on service calls/work order requests, and possibly institute a method for individuals to track requests.



Internal Survey Quantitative Data Analysis: Department Ratings: DGS - Building Services



Overall average, overall ratings, communication, process, and timeliness are all below 2010 ratings and the 2007 baseline.



*2007 baseline overall average

DGS Performance Review

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01/20/2012



Headline Measure: Condition of Non-Critical Building Systems and Aesthetics

Background on DGS Survey

- **FY10 measurement began**
 - Surveys were sent to a different group of buildings each quarter
 - Total of 37 buildings surveyed in FY11
 - Participants rated 55 different service tasks grouped into six service areas

- **Results of FY11 survey: overall rating was 3.52 on a 1-5 scale**
 - Average ratings for each of the six service areas in the survey
 - Entryway & Lobbies: 3.7
 - Restrooms: 3.8
 - Offices, Halls, Stairs: 3.4
 - Class/Lab/Conf: 3.3
 - Miscellaneous: 3.1
 - Elevators: 3.5



Performance Context: Facilities Performance in Other Jurisdictions

- **Prince George's County** (in FY12 approximately 4.4 million square feet of office space)

| | FY08 Act | FY09 Act | FY10 Act | FY11 Est | FY12 Est |
|---|----------|----------|----------|----------|----------|
| # of County Owned Buildings | N/A | 85 | 85 | 85 | 85 |
| % of County Owned Buildings in good or fair condition | N/A | 93% | 93% | 93% | 93% |

- **Loudoun County**

| | FY08 Act | FY09 Act | FY10 Act | FY11 Est | FY12 Est |
|---|-----------|-----------|------------|-----------|-----------|
| Square feet of space maintained | 1,153,448 | 1,213,250 | 1,214,1600 | 1,390,160 | 1,612,090 |
| Unit cost per square foot of space maintained | \$2.53 | \$2.56 | \$2.59 | \$2.42 | \$2.69 |

- **Fairfax County**

| | FY08 Act | FY09 Act | FY10 Act | FY11 Est | FY12 Est |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Gross square feet of space maintained | 8,531,329 | 8,774,711 | 8,494,171 | 8,532,386 | 8,542,946 |
| Cost per square foot space maintained | \$5.50 | \$5.80 | \$ 5.40 | \$ 5.87 | \$ 6.10 |

Currently Montgomery County does not report equivalent data.



Source: Respective County Budget Documents

Headline Measure: Condition of Non-Critical Building Systems and Aesthetics

Departmental Explanation for FY11 Performance:

- Satisfaction ratings are anticipated to be lower in FY11, FY12 and FY13 due to necessary curtailment of services to satisfy budget reductions.
- Budget limitations resulting in deteriorating conditions.
- Shortage of trained staff in technical areas such as HVAC.
- The County has adopted LEED rated design and construction standards requiring maintenance upgrades to maintain ratings.
- More facilities need to be retro-fitted to EMS (monitoring) and MMS systems.
- Non-critical calls deferred by triage for emergencies which are on the rise due to infrastructure deterioration.



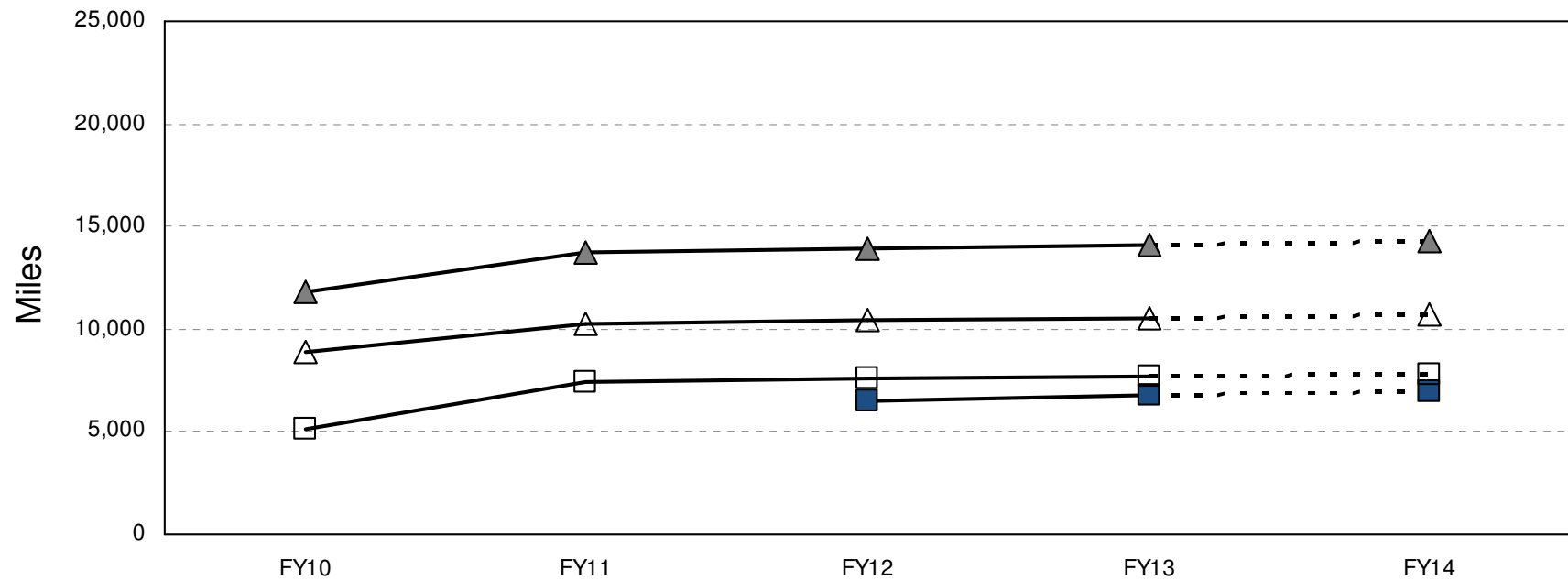
Headline Measure: Condition of Non-Critical Building Systems and Aesthetics





Departmental Explanation for FY12-FY14 Projections:

- Hire qualified personnel by working with OHR to develop/modify the County's personnel system to compete in the labor market for skilled/qualified trades personnel.
- DGS will work with OMB to request the appropriate level of funds to address annual maintenance requirements, address deferred maintenance to move facilities rated as "poor" to the "fair" or "good" category, and support the needed contractor augmentation to bridge the gap between in-house capability and need.
- Improve the EMS and MMS System by upgrading and/or replacing it to improve the Department's ability to track and report on performance data directly related to the timely completion of preventive maintenance items.
- Continue to perform facility assessments and integrate the facility data into the Department's MMS to assist in prioritization of work and to improve reporting on facility status and performance.



Headline Measure: Mean Distance Between Failures



| | FY10 | FY11 | FY12 | FY13 | FY14 |
|---|--------|--------|---------|--------|--------|
|  Transit | N/A | N/A | 6,500** | 6,750 | 7,000 |
|  Heavy | 5,100 | 7,444 | 7,556 | 7,669 | 7,784 |
|  Public Safety Light | 11,833 | 13,696 | 13,901 | 14,109 | 14,320 |
|  Administrative Light | 8,926 | 10,260 | 10,414 | 10,570 | 10,728 |

From FY10 to FY11 overall improvements in all areas.



Performance Context: Mean Distance Between Failures in Other Jurisdictions

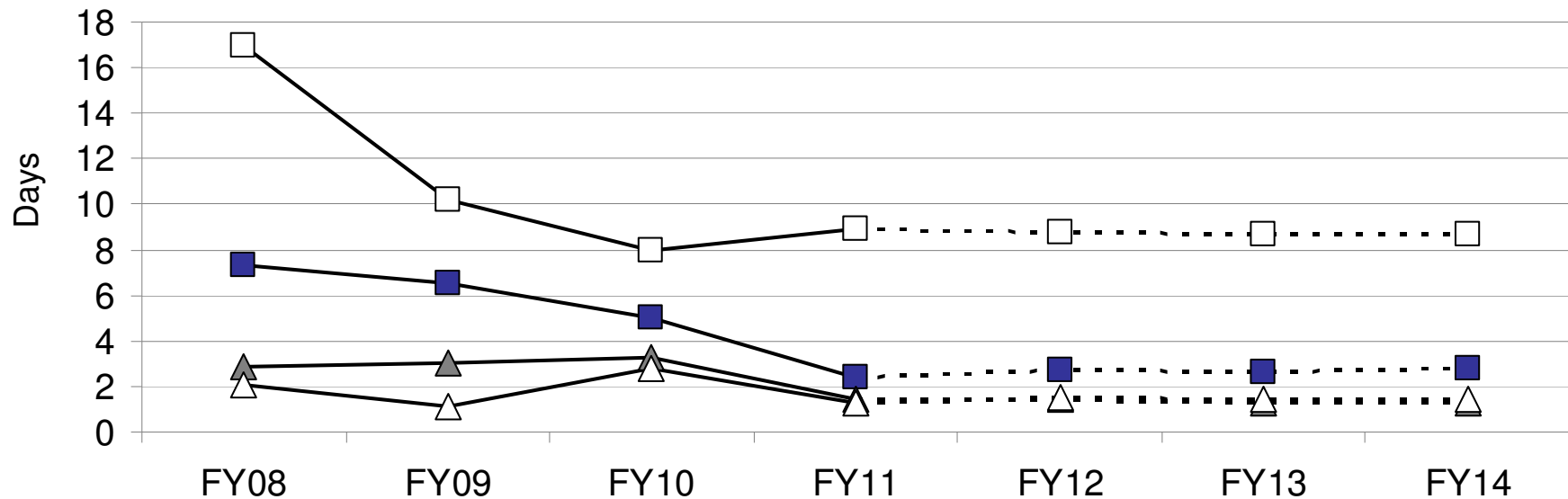
NOTE: Every jurisdiction defines failure independently. One to one comparisons are not possible at this time.





| Mean Distance Between Failure | | | | | | | |
|---|---|-------|-------|-------------|-------------|-------------|-------------|
| Jurisdiction | Average Vehicle Age (in years, Report Year 2010) | FY09 | FY10 | FY11 est | FY12 est | FY13 est | FY14 est |
| MTA (Long Island Bus) | 6.3 | 2,605 | 3,774 | 3,328 | 3,262 | 3,196 | 3,132 |
| MARTA (Atlanta, GA) | 6.3 | N/A | 2,400 | 2,837 | N/A | N/A | N/A |
| WMATA (Washington, DC) Revenue miles | 7.7 | 5,669 | 6,054 | 7,590 | 7,400 | N/A | N/A |
| Ride On Transit (Montgomery County) | 6.5 | N/A | N/A | N/A | 6,500 | 6,750 | 7,000 |

Source: Age of Vehicle, www.ntdprogram.gov/ntdprogram/data.htm;
MARTA, [www.itsmarta.com/uploadedFiles/About MARTA/Reports/FY10BudgetBook.pdf](http://www.itsmarta.com/uploadedFiles/About_MARTA/Reports/FY10BudgetBook.pdf);
MTA (LIRR), www.mta.info/mta/compliance;
WMATA, Office of Performance staff.



Headline Measure: Turnaround Time, Average Number of Days Out of Service



| | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 |
|--|------|------|------|------|------|------|------|
|  Transit | 7.3 | 6.5 | 5.0 | 2.4 | 2.7 | 2.6 | 2.8 |
|  Heavy | 17 | 10.2 | 8.0 | 8.9 | 8.8 | 8.7 | 8.7 |
|  Public Safety Light | 2.9 | 3.0 | 3.3 | 1.4 | 1.4 | 1.3 | 1.3 |
|  Administrative Light | 2.1 | 1.1 | 2.8 | 1.3 | 1.5 | 1.4 | 1.4 |

In FY11 all areas, except for Heavy Equipment, experienced improvement in turnaround times in days. On average turnaround time in FY11 is 50% less than it was in FY08.



Performance Context: Fleet (Transit) Workload and Expenditures

| | FY06 | FY07 | FY08* | FY09 | FY10 | FY11 | 6 yr Avg |
|----------------------------------|----------|----------|----------|----------|----------|-------------------------|----------|
| No. of Buses Active Fleet | 257 | 257 | 371 | 375 | 367 | 343 | 328 |
| Number of Mechanics | 63 | 63 | 85 | 88 | 88 | 88 | 79 |
| Buses per mechanic | 4.1 | 4.1 | 4.4 | 4.3 | 4.2 | 3.9 | 4.2 |
| PMs per mechanic | 13.7 | 16.2 | 15.8 | 14.8 | 18.6 | 21.4 | 16.8 |
| % PMs late | 76% | 75% | 79% | 79% | 72% | 60% | 74% |
| Expenditures per Bus | \$43,795 | \$43,439 | \$41,911 | \$41,058 | \$45,193 | \$45,130 | \$43,421 |
| Average age of bus** | 6.5 | 6.8 | 6.6 | 6.98 | 6.5 | <u>6.5</u> ₁ | 6.6 |

The Number of Buses was changed in FY09 to use the CAFR (owned buses). This differs with Transit Services reported numbers which used Active Fleet. Starting in FY09 Expenditures included encumbered amounts which have been adjusted to Actual Expenditures.

*PM = scheduled preventive maintenance work order
Fleet became responsible for maintaining the small bus fleet in March 2008.
** Source from National Transportation Database. 1 Estimate for the year.*



Performance Context: Fleet (Transit)

Net Annual Work Hours for Average Mechanic

| | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total annual hours | 2,080 | 2,080 | 2,080 | 2,080 | 2,080 | 2,080 |
| Hours off | | | | | | |
| Annual | 156 | 146 | 149 | 130 | 110 | 120 |
| Sick | 89 | 112 | 91 | 84 | 99 | 94 |
| Comp Leave Used | 84 | 84 | 82 | 77 | 111 | 98 |
| Admin | 26 | 48 | 38 | 25 | 51 | 33 |
| Disability | 16 | 38 | 14 | 22 | 24 | 39 |
| Training | 15 | 4.1 | 1.2 | 2.6 | N/A | N/A |
| LWOP | 0.1 | 4.8 | 0.0 | 1.1 | 3.3 | 1.1 |
| Holiday | 72 | 72 | 72 | 72 | 72 | 72 |
| Net available | 1,622 | 1,571 | 1,633 | 1,667 | 1,610 | 1,623 |
| Additions to time available | | | | | | |
| Comp Leave Earned | 63 | 77 | 70 | 78 | 47 | 33 |
| Overtime | 76 | 184 | 131 | 148 | 162 | 83 |
| Holiday overtime | 22 | 23 | 58 | 29 | 24 | 23 |
| Total available | 1,783 | 1,855 | 1,891 | 1,921 | 1,843 | 1,762 |

Total available net annual work hours for the average transit mechanic has declined in the past two years, yet turnaround times for transit have improved.



Source: Payroll data, average hours taken by full-year employees.

Note: The "Annual" category includes annual leave, personal leave, and paid time off.

Headline Measures for Fleet: Mean Distance Between Failures Turnaround Time: Average Number of Days Out of Service

Departmental Explanation for FY11 Performance:

- There has been a year to year improvement in performance in most areas. The age and overall condition of the heavy fleet has led to an increase in turnaround time.

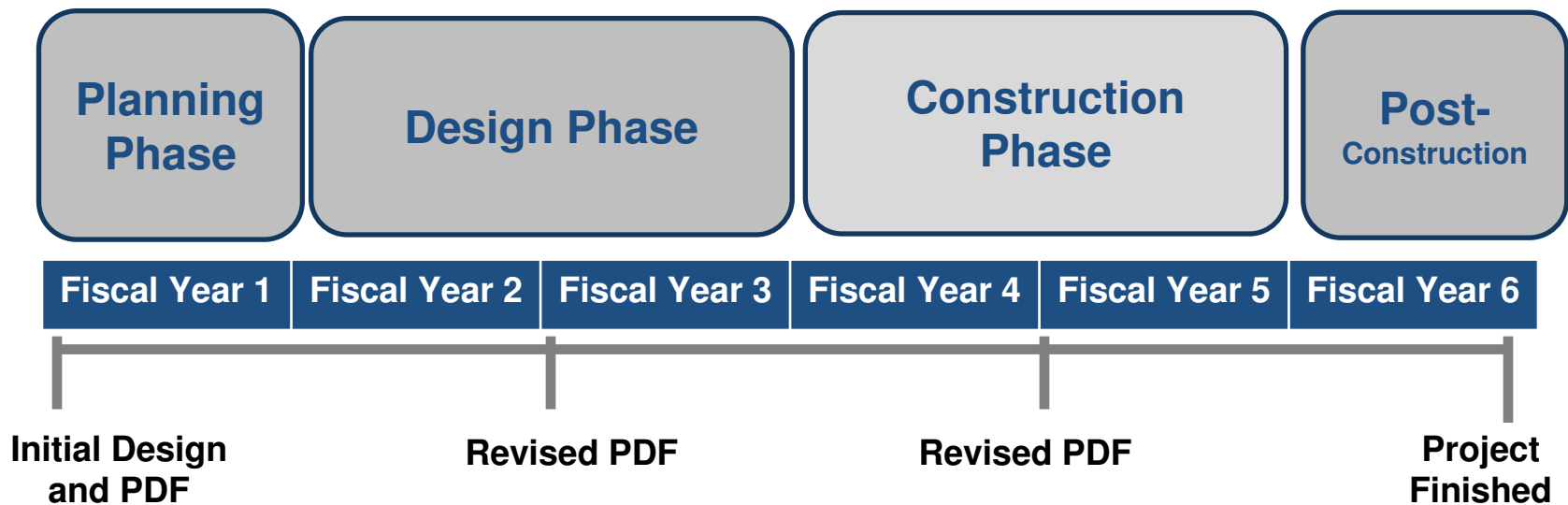
Departmental Explanation for FY12-FY14 Projections:

- A slight improvement is projected as replacements occur for public safety light vehicles and heavy vehicles.
- A slight decline is projected in turnaround time for administrative vehicles and transit vehicles based on the age and reliability of the fleet. Parts become more difficult to obtain and reliability goes down.
- The mean distance between failures for the transit fleet has been recalculated to conform to the method used by WMATA. The calculation uses scheduled miles instead of total miles driven and uses mechanical failures as documented by Transit Services.



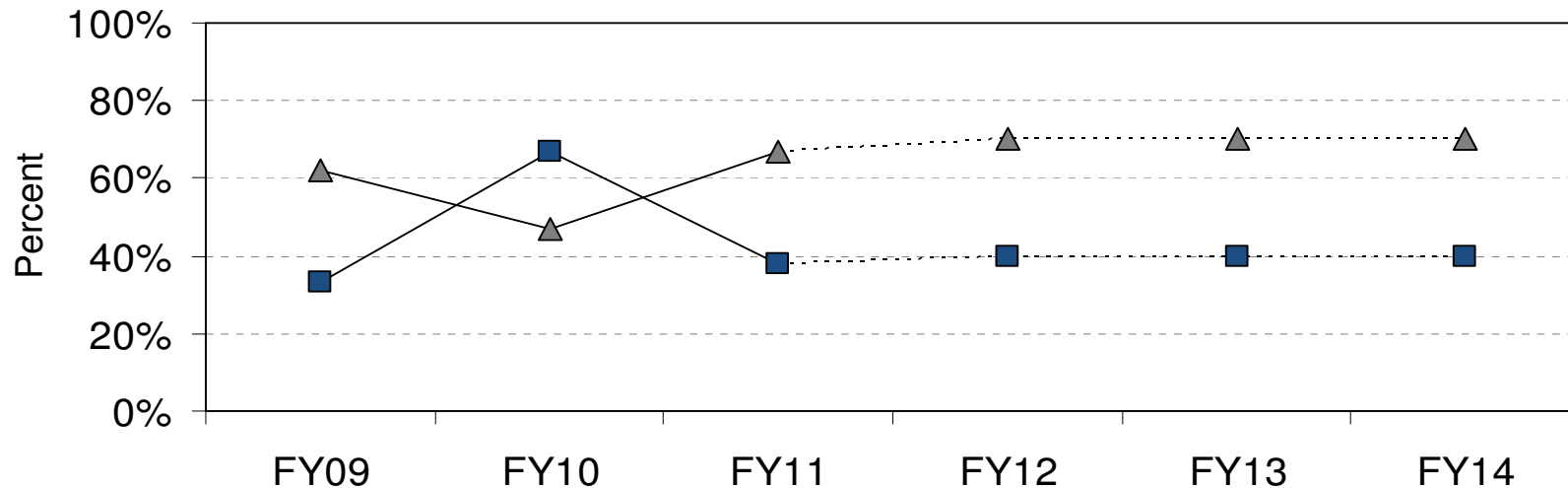
Timelines for Design and Construction Phases



A Project Description Form (PDF) will be revised during planning, design and construction phases. The following is an example of a timeline for a project.



Headline Measure: Percent of Projects Meeting Design and Construction Goals

Building Design and Construction:
Percent of projects meeting initial design and construction timeline

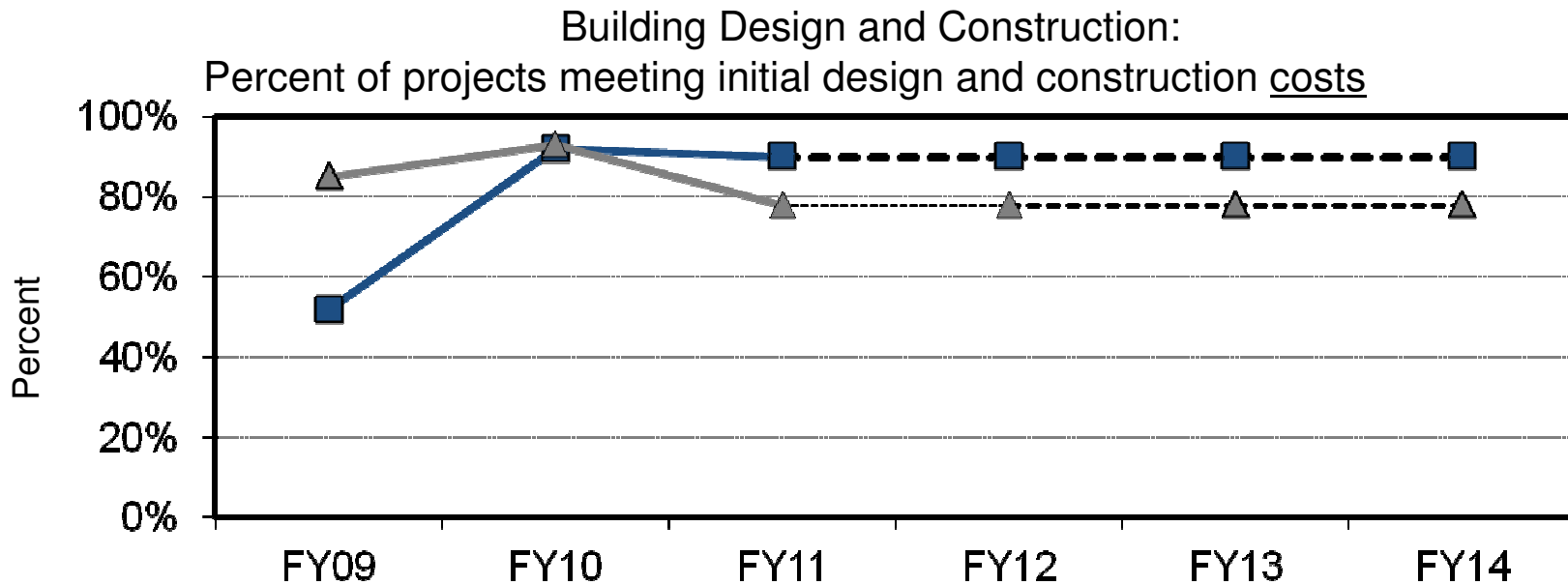


| | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 |
|---|------|------|------|------|------|------|
|  Design | 33% | 67% | 38% | 40% | 40% | 40% |
|  Construction | 62% | 47% | 67% | 70% | 70% | 70% |

FY11 saw a return to FY09 levels – decreased performance for design and increased performance for construction.



Headline Measure: Percent of Projects Meeting Design and Construction Goals



| | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 |
|---|------|------|------|------|------|------|
| ■ Design | 52% | 92% | 90% | 90% | 90% | 90% |
| ▲ Construction | 85% | 93% | 78% | 78% | 78% | 78% |

FY11 had a decrease in percent of projects meeting initial design and construction costs.



Performance Context: Building Design and Construction Performance in Other Jurisdictions

Fairfax County

(all measures are based upon changes from the initial construction contract amounts.)

| | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|--|-------|-------|-------|-------|-------|-------|
| % of projects <u>completed on time</u> | 69% | 76% | 70% | 64% | 74% | 73% |
| % of projects <u>completed on budget</u> | 84% | 85% | 88% | 95% | 90% | 92% |
| Contract cost growth | 4.50% | 5.40% | 4.90% | 4.80% | 4.80% | 5.00% |

Loudoun County

| | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|--|------|------|------|------|------|------|
| # Current active projects - design | 24 | 44 | 26 | 10 | 9 | 10 |
| # Current active projects - construction | | | 15 | 26 | 16 | 26 |
| # Capital projects completed | 5 | 6 | 6 | 3 | 9 | 25 |
| % of active <u>contracts on schedule</u> | 100% | 100% | 85% | 85% | 79% | 95% |
| % of projects <u>completed within budget</u> | 79% | 79% | 95% | 92% | 100% | 95% |



Source: Respective County Budget Documents

Headline Measures:

Percent of Projects Meeting Design and Construction Goals

Departmental Explanation for FY11 Performance:

- Unrealistic project schedules that fail to accurately account for prolonged initial stages of community input, approvals, coordination and permitting (this has a corresponding impact on escalation as scope and time lapses from initial estimates resulting in increasing cost)
 - Coordination challenges with M-NCPPC and with utility companies
- Inadequate planning for new projects including inadequate accounting for pre-design (period after project is approved until an A/E is under contract)
 - Inadequate scheduling to include permitting (DPS and Utility reviews)
 - Projects approved without necessary predecessors
 - Revisions of project scope/POR by client department or others after project is approved
- Reductions in the Building CIP program/budget which resulted in the delay/termination of several projects
- Cooperative projects with entities (developers, WMATA, etc.) that do not share the same goals and schedule commitments as the County.

Departmental Explanation for FY12-FY14 Projections:

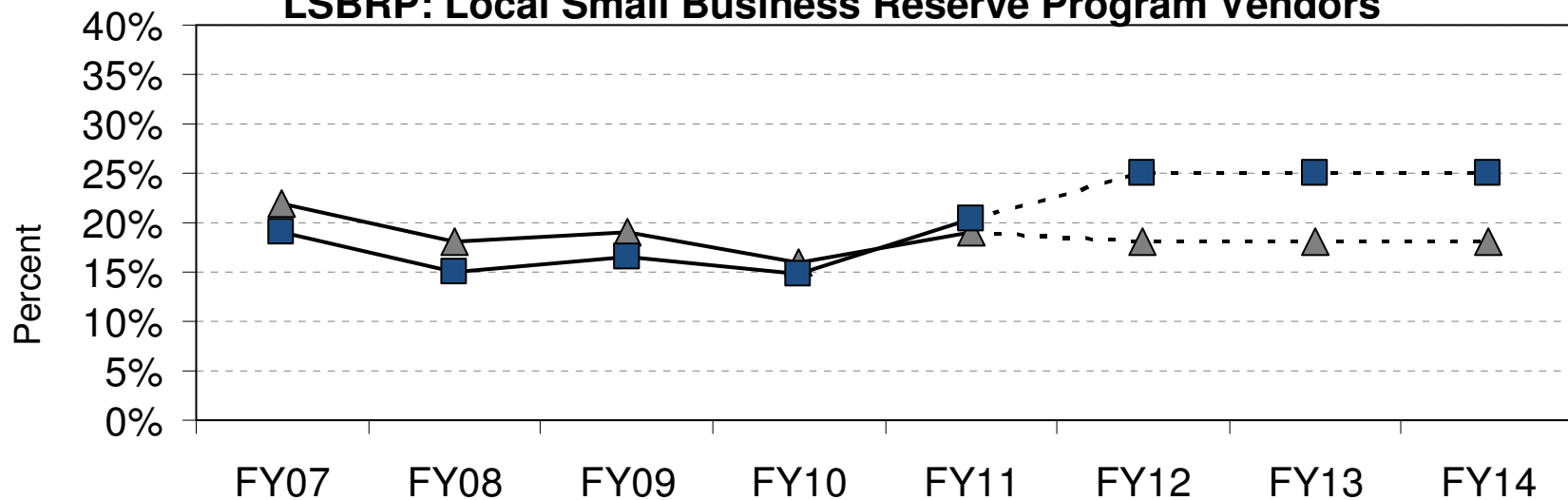
- A new database that will separately track estimated/actual time for completion of the design and construction phases of a project. Once a project is completed, a report will plot actual time against the estimated time as a % of accuracy where 100% is an equal ratio
- Develop a parametric database of units costs, apply historic values, and review the cost estimates of our design consultants, all in order to arrive at more accurate estimates of costs
- Improve coordination with utility companies to determine ways to avoid delays resulting from their review and approval processes





Headline Measure: Percent of Contract Dollars Awarded to MFD and LSBRP Vendors

MFD: Minority/Female/Disabled

LSBRP: Local Small Business Reserve Program Vendors



| | FY07 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 |
|--|------|------|----------------|--------------|--------------|------|------|------|
|  MFD | 22% | 18% | 19% | 16% | 19% | 18% | 18% | 18% |
|  LSBRP | 19% | 15% | 17% | 15% | 20% | 25% | 25% | 25% |
| LSBRP Spent Value | N/A | N/A | \$26.4 million | \$53 million | \$47 million | N/A | N/A | N/A |

FY11 had increases in percent of contract dollars awarded to MFD and LSBRP, but dollar amount of spent in FY11 has declined from FY10 amounts.

LSBRP: In Montgomery County is for businesses with at most 50 employees and average gross receipts of at most \$14 million in the last three years.



<http://montgomerycountymd.gov/content/DGS/Dir/OBRC/LSBRP/Eligibility.html>

Performance Context: Percent of Contract Dollars Awarded to MFD and LSBRP Vendors Performance in Other Jurisdictions

| Jurisdiction (Types of businesses included) | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 est | FY12 est |
|---|------|------|------|------|------|----------|----------|
| Fairfax County (Small and Minority Business) | 46% | 45% | 46% | 49% | 49% | 47% | 47% |
| Prince George's County (Minority Business) | N/A | N/A | 33% | 38% | 39% | 40% | 39% |
| Baltimore County (MBE/WBE Firms) | N/A | N/A | 11% | 13% | 20% | 15% | 15% |

- Prince George's County has a goal within its County Code of awarding at least 30% of contract dollars to minority- and female-owned businesses
- Baltimore County seeks to have an overall goal of 15% of the total dollars spent on discretionary procurements awarded to and/or performed by MBE and WBE firms.
- State of Virginia defines "small" as 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years.



Sources: Respective County Budget Documents

Headline Measures: Percent of Contract Dollars Awarded to MFD and LSBRP Vendors

Departmental Explanation for FY11 Performance:

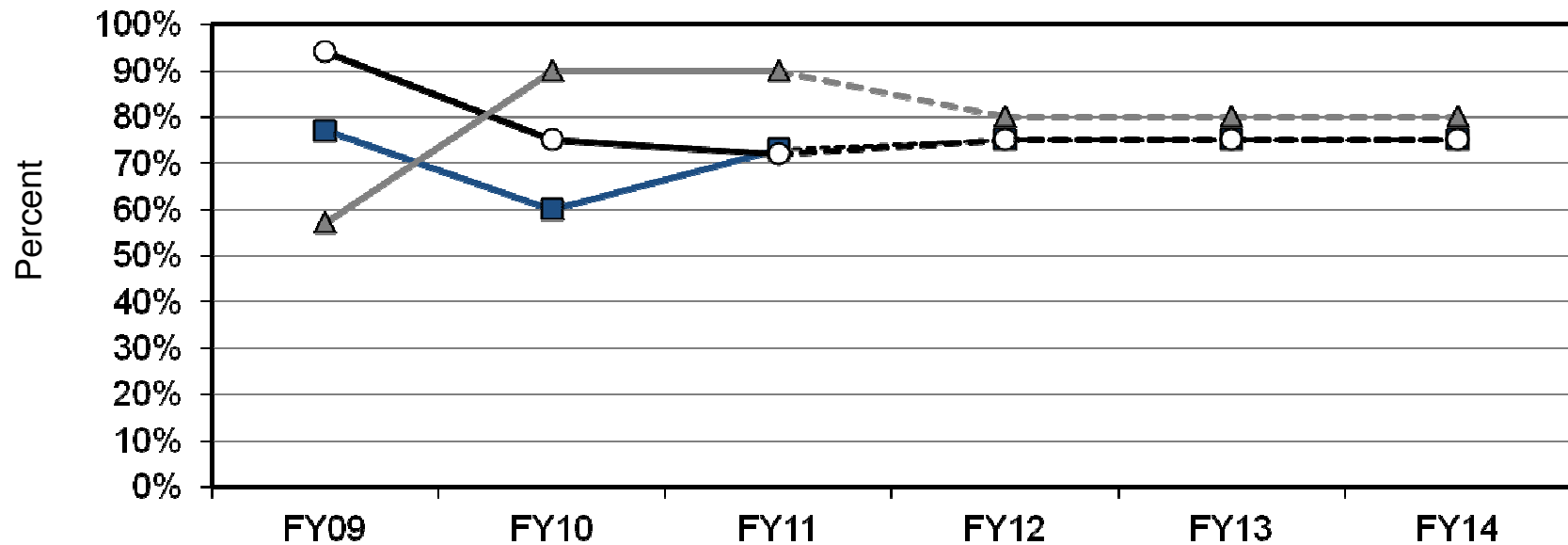
- MFD Contract Spending 19%, increased 3.5% from FY10
- LSBRP Contract Spending 20%, many construction projects which are exempted (over \$10 million) started in FY11. Despite that, LSBRP spending reached 20% for the first time.

Departmental Explanation for FY12-FY14 Projections:

- MFD may have some room to grow if we have an updated Disparity Study.
- LSBRP maintain current percentages, may still have slight room for growth.



Headline Measure: Percent of Procurements Completed in Agreed-Upon Time



| | FY09* | FY10 | FY11 | FY12 | FY13 | FY14 |
|----------------|-------|------|------|------|------|------|
| ■ IFB | 77% | 60% | 73% | 75% | 75% | 75% |
| ○ RFP | 94% | 75% | 72% | 75% | 75% | 75% |
| ▲ Construction | 57% | 90% | 90% | 80% | 80% | 80% |

FY11 had improvement in IFB, steady performance for Construction, and slight decline in RFP.



* FY09 measurement began mid-year.

Headline Measure: Percent of Procurements Completed in Agreed-Upon Time

Departmental Background on Procurement:

- As a follow-up to each solicitation issued that is part of this measure (RFP, IFB, Construction), the Office of Procurement sends an electronic survey to the using department upon contract execution, consisting of six questions and the timeline.
 - In FY11, the overall rating was a **3.5** on a scale of 1-4.
 - In FY11, enhancements were made to the survey process around March:
The surveys are now automatically sent by the tracking system upon completion of a contract execution, to ensure surveys are not missed and to increase the response rate since it is now automated and does not require buyer involvement in sending out.
 - In FY11, the survey response rate was **30%**
- The average days from solicitation package completion to contract execution for **Construction was 169 days, IFB was 135 days, and RFP was 210 days.** This equates to a **5.7** month average.
- Notes about FY11 reported values:
 - Measures shown are a consolidated percent for our four steps in the procurement process where Procurement has most responsibility:
 - Date solicitation is issued
 - Date bids/proposals forwarded to using department
 - Date recommended awardee is publicly posted
 - Date contract is executed
- Environmentally/Resource Friendly Improvements (Began mid-FY11)
 - Paper Savings: 12,886 sheets (online process for solicitation, amendment, and expiration notices)
 - Hours Savings: 919 hours
 - Cost Savings: \$1,300 in postage (solicitation notifications)



Performance Context: Procurement in Other Jurisdictions

| Fairfax County | FY08 | FY09 | FY10 | FY11 | FY12 Est. |
|---------------------------------|------|------|------|------|-----------|
| Processing Time in Days For RFP | N/A | 198 | 172 | 200 | 165 |
| Processing Time in Days For IFB | N/A | 114 | 103 | 99 | 95 |

| Loudoun County | FY08 | FY09 | FY10 | FY11 | FY12 Est. |
|--|------|------|------|------|-----------|
| Average number of weeks to process IFBs/RFPs | 12 | 15 | 14 | 16 | 16 |
| Days (Weeks converted) | 84 | 105 | 98 | 112 | 112 |

| Montgomery County | FY09 | FY10 | FY11 | FY12 Est. |
|---|------|------|------|-----------|
| Average Processing Time in Days For RFP | N/A | 187 | 210 | N/A |
| Average Processing Time in Days For IFB | N/A | 119 | 135 | N/A |



Source: Jurisdictions County Budget Books; FY11 from Procurement Officers

Headline Measures: Percent of Procurements Completed in Agreed-Upon Time

Departmental Explanation for FY11 Performance:

- Additional procurement staff training and development resulting in more experienced staff.
- Major legislative and process changes already developed at conclusion of FY10 so staff time re-focused on implementation, customer training, and availability.
- Major process change for RFPs and other legislative changes including LSBRP-related changes required re-training and learning curve for both procurement and departmental staff. (Legislative changes did not result in major procedural changes for IFBs).

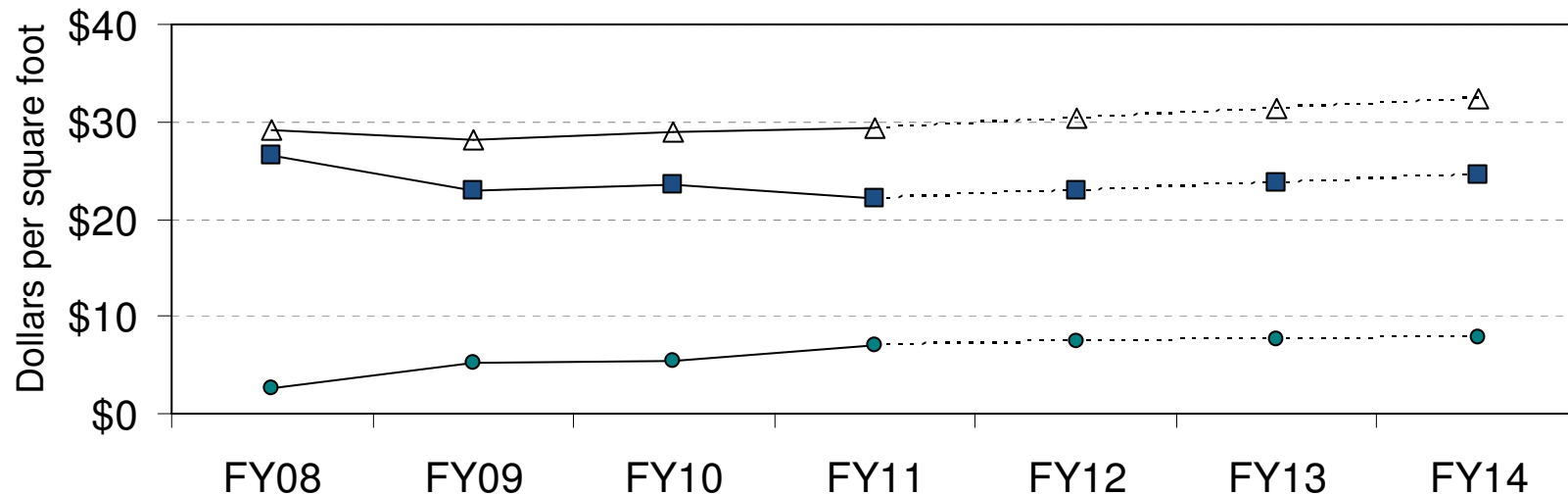
Departmental Explanation for FY12-FY14 Projections:

- Contract Administrators still balancing/learning new technologies and legislative changes.
- Resource constraints countywide and loss of historical knowledge at Contract Administrator level.



Headline Measure: County Rent vs. Average Market Rent for Leased Space

Real Estate: Average Rent (in dollars per square foot)



| | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 |
|------------------------------|---------|---------|---------|---------|---------|---------|---------|
| ■ Montgomery County | \$26.48 | \$22.87 | \$23.55 | \$22.18 | \$22.93 | \$23.71 | \$24.52 |
| △ Average Market Rent | \$29.18 | \$28.14 | \$28.98 | \$29.26 | \$30.28 | \$31.34 | \$32.44 |
| ● Difference | \$2.70 | \$5.27 | \$5.43 | \$7.08 | \$7.35 | \$7.63 | \$7.92 |

On average County leased space rent per square foot has been \$5.00 less than the commercial average.



Performance Context: Leases of Other Jurisdictions

| Leases Per Square Foot | FY08 | FY09 | FY10 | FY11 Est. | FY12 Est. |
|------------------------|---------|---------|---------|-----------|-----------|
| Prince George's County | \$15.55 | \$16.88 | \$18.31 | \$19.83 | \$20.00 |
| Fairfax County | \$20.46 | \$20.79 | \$22.10 | \$21.72 | \$21.95 |
| Loudoun County | \$22.24 | \$21.63 | \$21.64 | \$23.00 | \$23.00 |

| Gross Leased Space | FY08 | FY09 | FY10 | FY11 Est. | FY12 Est. |
|------------------------|---------|---------|---------|-----------|-----------|
| Prince George's County | 621,621 | 534,153 | 513,974 | 471,090 | 500,000 |
| Fairfax County | 696,850 | 767,743 | 733,688 | 712,027 | 712,027 |
| Loudoun County | 431,619 | 421,868 | 415,880 | 422,000 | 384,000 |

Montgomery County government leases on average tracks higher than three other area jurisdictions. Recommend a review to assess if Montgomery County market is significantly more expensive than area jurisdictions.



Source: Jurisdictions Budget Books

Performance Context: Real Estate GSA Leases in Montgomery County (2011)

| City | Leases | Total Square Feet | Total Rent | Rent per Square Foot |
|---------------|-----------|-------------------|----------------------|----------------------|
| Bethesda | 13 | 1,171,020 | \$37,710,569 | \$32.20 |
| Gaithersburg | 6 | 381,017 | \$5,311,479 | \$13.94 |
| Germantown | 4 | 225,622 | \$5,616,228 | \$24.89 |
| Kensington | 1 | 4,132 | \$131,462 | \$31.82 |
| Rockville | 52 | 4,288,620 | \$129,667,935 | \$30.24 |
| Silver Spring | 16 | 1,400,486 | \$36,451,739 | \$26.03 |
| Wheaton | 1 | 31,076 | \$806,725 | \$25.96 |
| Total | 93 | 7,501,973 | \$215,696,137 | \$28.75 |

Montgomery County government leases 1,274,366 square feet of space across the county. The County average lease rent for FY11 of \$22.18 is \$6.57 less than the average lease rent for the GSA in area.



Source: GSA monthly lease inventory

Headline Measure: County Rent vs. Average Market Rent for Leased Space

Departmental Explanation for FY11 Performance:

- We had success renegotiating a number of leases in FY11, lowering rates and getting free rent.
- Challenges we face:
 - Which agency and the use being promulgated for the lease
 - Shift to preferring environmentally friendly leases could cost more per square foot
 - Leases must contain non-appropriation language, basically rendering every lease one year long. Now that we have exercised the termination on several leases, the problem has magnified.

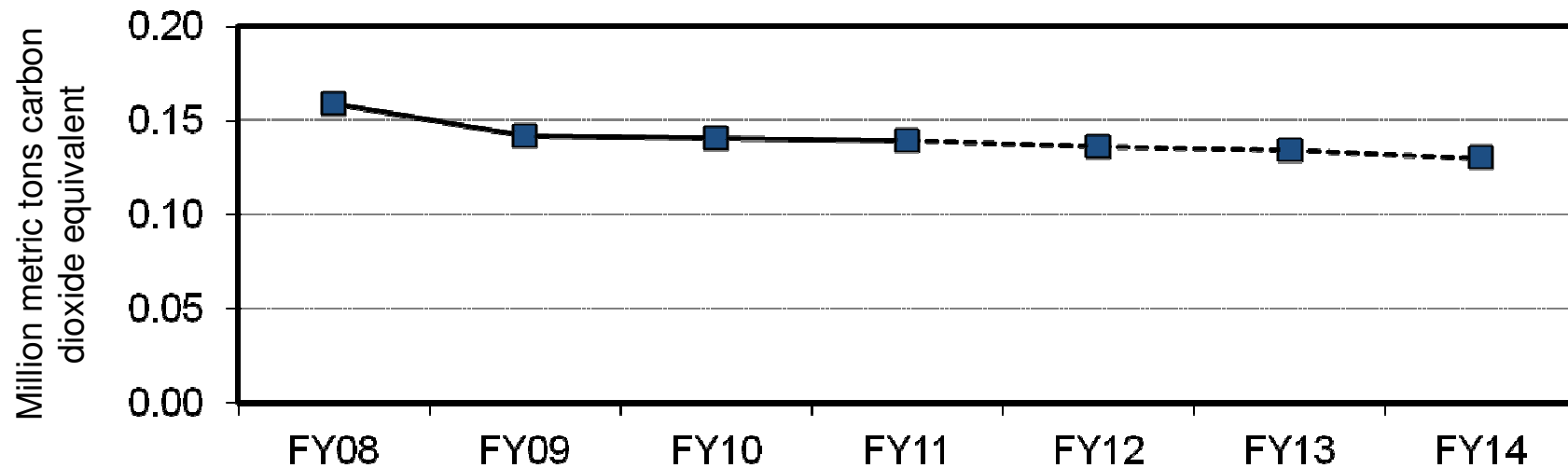
Departmental Explanation for FY12-FY14 Projections:

- Take advantage of economic conditions when appropriate to leverage lease negotiations.
- Look to lease consolidations that will result in lower lease rates or fewer leases.



Headline Measure: Environmental Stewardship

Carbon footprint from Facilities and Fleet Operations
(in million metric tons carbon dioxide equivalent)



| | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 |
|--------------------------------------|-------|-------|-------|-------|-------|-------|-------|
| Million metric tons CO2 equiv | 0.159 | 0.142 | 0.140 | 0.139 | 0.136 | 0.134 | 0.130 |

Continued declines in carbon footprint. Recommend investigating if a specific fuel source should be targeted for reduction.



Headline Measure: Environmental Stewardship

| Metric Tons of CO2 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 |
|-----------------------------------|----------------|----------------|----------------|----------------|-----------------|-----------------|----------------|
| Building Fuels | 99,775 | 85,769 | 83,759 | 84,354 | 84,252 | 83,990 | 83,090 |
| Electricity (Grid Average) | 103,307 | 104,476 | 105,239 | 106,119 | 106,200 | 105,500 | 104,000 |
| Electricity (Clean Energy Credit) | -15,496 | -30,993 | -32,899 | -33,174 | -33,198 | -32,979 | -32,510 |
| Natural Gas | 11,546 | 11,604 | 10,722 | 10,528 | 10,600 | 10,850 | 11,000 |
| Propane | 0 | 56 | 108 | 107 | 100 | 100 | 100 |
| Fuel Oil 1 through 3 | 417 | 626 | 589 | 552 | 550 | 520 | 500 |
| Transportation Fuels | 58,783 | 55,890 | 62,560 | 55,335 | 55,335 | 55,335 | 55,335 |
| Gasoline | 20,002 | 21,176 | 20,750 | 20,268 | 20,268 | 20,268 | 20,268 |
| CNG | 10,198 | 6,272 | 8,733 | 7,313 | 7,313 | 7,313 | 7,313 |
| Diesel (ULSD) | 28,514 | 23,967 | 33,048 | 27,734 | 27,734 | 27,734 | 27,734 |
| Diesel B20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Diesel B5 | 47 | 4,459 | 0 | 0 | 0 | 0 | 0 |
| E85 | 21 | 16 | 29 | 20 | 20 | 20 | 20 |
| Total | 158,558 | 141,659 | 146,319 | 139,689 | 139, 587 | 139, 525 | 138,425 |

FY11 saw a large reduction in diesel.



Headline Measures: Environmental Stewardship

Carbon footprint from Facilities and Fleet Operations (in million metric tons carbon dioxide equivalent)

Departmental Explanation for FY11 Performance:

- Alternative fuels for vehicles.
- Hybrid vehicle purchases when possible.
- Retrofit existing buildings.
- Write leases to include higher energy standards.

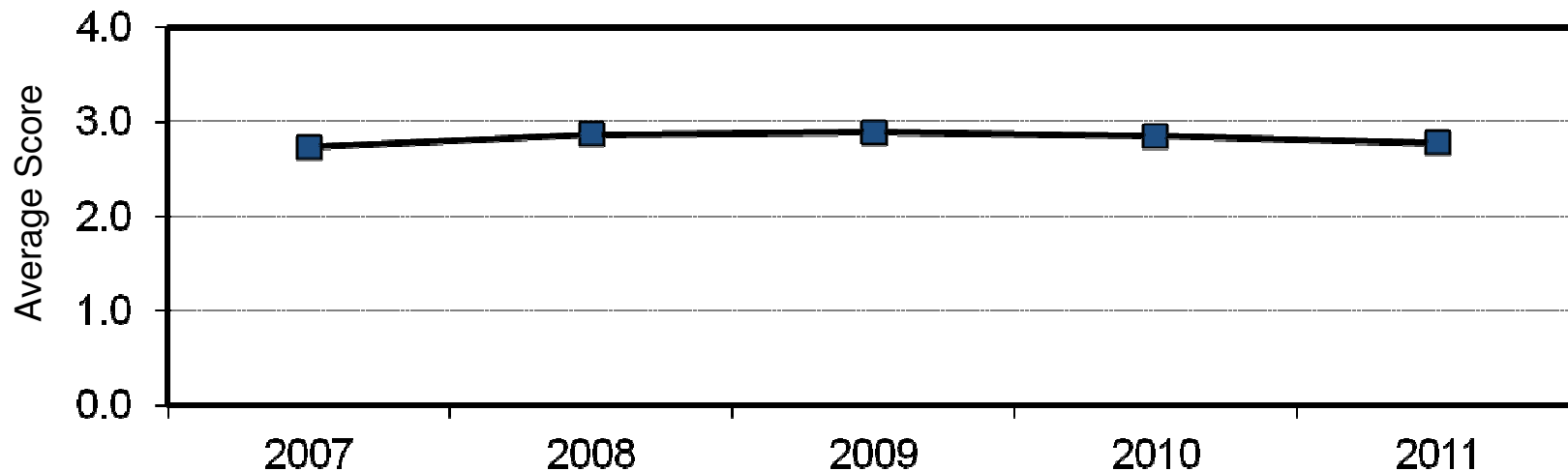
Departmental Explanation for FY12-FY14 Projections:

- Provide Leadership in Energy and Environmental Design (LEED) training to all technical staff in the Division tasked with construction, remodeling, and maintenance.
- Install sensors in more County buildings which will turn out lights when offices are unoccupied. (this effort is in progress in the EOB and COB)
- Continue to work with DTS to find the right solution for turning off computers and office equipment during off hours.
- Upgrade the Energy Management System (EMS) to monitor and control energy usage at sub-panel level and during peak consumption and rate periods, while maintaining comfort for workers.



Headline Measure: Customer Satisfaction

Average Customer Satisfaction Score - Average score given to all Department of General Services operations in a survey of managers across Montgomery County government



| | 2007 | 2008 | 2009 | 2010 | 2011 |
|-----------------|-------|-------|-------|-------|------|
| Average Score | 2.73 | 2.87 | 2.89 | 2.85 | 2.78 |
| YR to YR Change | +0.14 | +0.02 | -0.04 | -0.07 | |

Customer satisfaction on the whole for DGS only declined by -0.07 in FY11. DGS score on average from FY07-FY11 is 2.82 out of 4.



Headline Measure: Customer Satisfaction

Customer Satisfaction Score Detail: Score given to Department of General Services operations in a survey of managers across Montgomery County government

| Function | 2007 | 2008 | 2009 | 2010 | 2011 | Change: 2010-2011 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|----------------------|
| Bldg Services | 2.67 | 2.81 | 2.88 | 2.68 | 2.51 | -0.17 |
| Capital Dev Needs | 2.69 | 2.92 | 2.92 | 2.91 | 2.79 | -0.12 |
| Fleet Services | 2.88 | 3.00 | 2.96 | 3.01 | 2.85 | -0.16 |
| Leased Space Needs | 2.66 | 2.87 | 2.96 | 2.90 | 2.84 | -0.06 |
| Print / Mail / Archives | 3.05 | 3.14 | 3.20 | 3.25 | 3.14 | -0.11 |
| Procurement | 2.40 | 2.45 | 2.42 | 2.36 | 2.52 | 0.16 |
| Total Average | 2.73 | 2.87 | 2.89 | 2.84 | 2.78 | -0.08 |

In FY11 only Procurement experienced an increase in customer satisfaction from FY10. Building services is now the lowest rated division of DGS. Recommend focus on addressing major thematic areas of concern from survey in building services, such as communication.



Headline Measure: Customer Satisfaction

Departmental Explanation for FY11 Performance:

- Shortage of staffing to provide services. (vacant or lapse positions)
- Budget limitations for business process assessment and technological development.

Departmental Explanation for FY12-FY14 Projections:

- Require Customer Service training for all employees.
- Lead by example with management.
- Screen all level of new employees for customer service orientation.
- Listen to our customers on ways to improve our processes and make them more customer-friendly.
- Incorporate technological improvements to make processes quicker and more predictable from customers' perspective (finding an efficient way to say "yes we can").



Wrap-Up

- **Follow-Up Items**
- **Performance Plan Updating**

